



Investor presentation

May 2022

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TechTarget at a glance

Leading provider of data-driven marketing analytics and sales-enablement solutions

- Market leader for purchase intent data to fuel IT vendors sales pipelines faster
- Unique targeted content model, highly segmented and aligned with IT vendor needs
- Advanced targeting, analytics and data services complemented by customized marketing programs
- Nasdaq listed since 2007 (TTGT)
- Founded in 1999

150

Owned and operated websites¹

>1,000

Webinars and virtual event channels¹

29.4M

Registered members and users¹

\$316M

Revenue²

20%

Revenue Growth³

\$127.5M

Adjusted EBITDA²

41%

Subscription revenue as a % of revenue⁴

40%

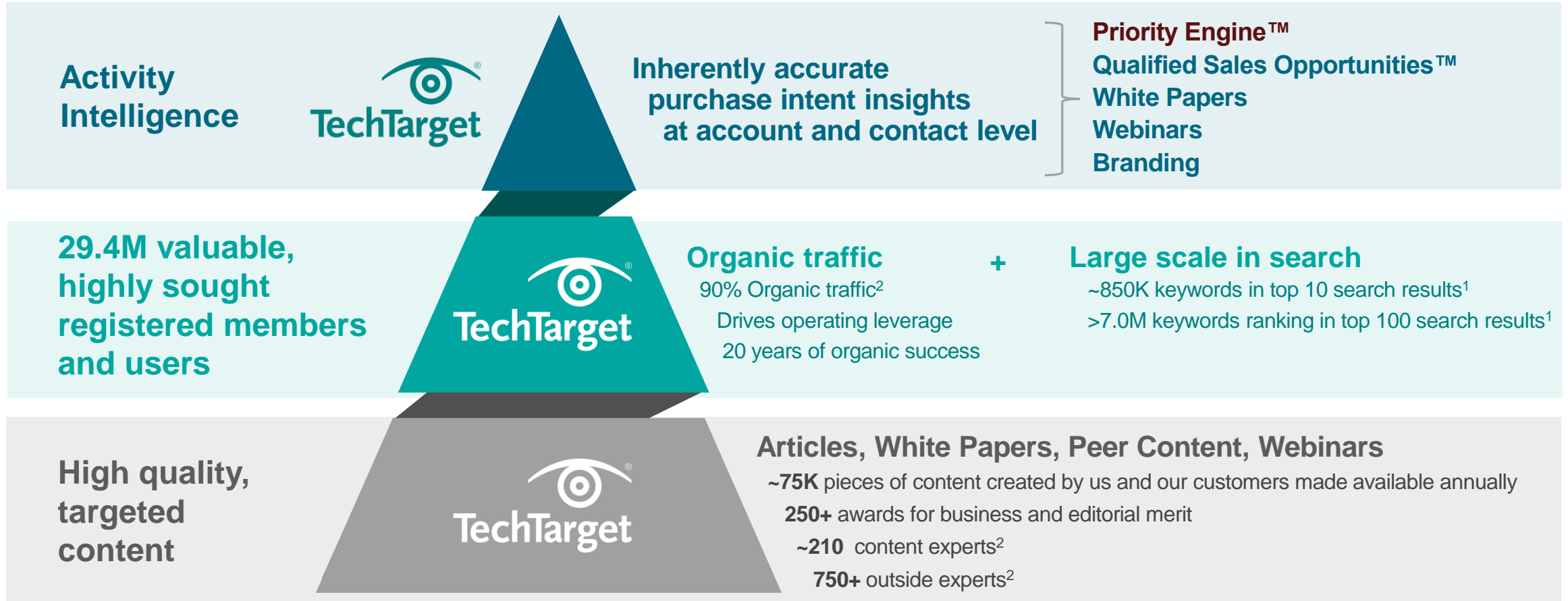
Adjusted EBITDA Margin⁵

54%

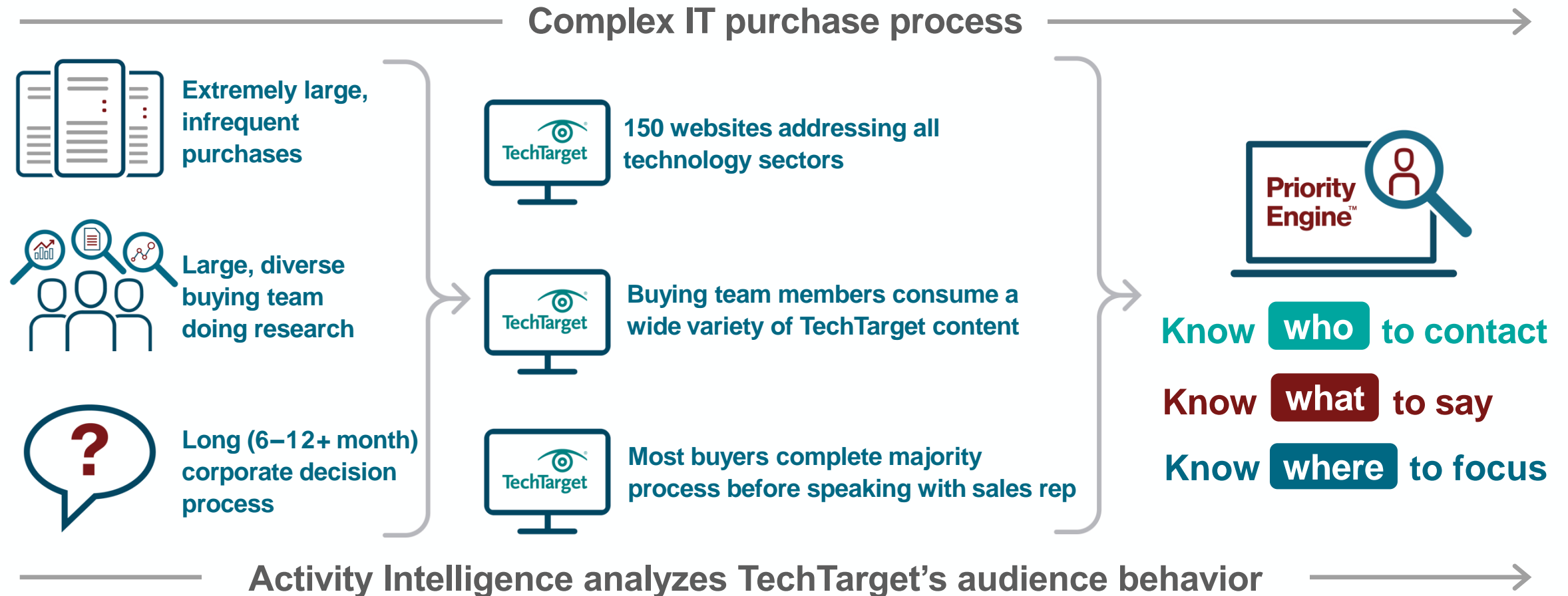
Incremental Adj. EBITDA margin since 2017⁶

Note: Refer to Appendix for reconciliation of non-GAAP measure; ¹ As of 3/31/2022; ² Based upon the mid-point of 2022 annual guidance released on May 10, 2022; Adjusted EBITDA means earnings before net interest, other income and expense, income taxes, depreciation and amortization as further adjusted to include the impact of the fair value adjustments to acquired unearned revenue and to exclude stock-based compensation and other one-time charges; ³ Based on upon GAAP revenue for twelve months ended 12/31/21 compared to the mid-point of the GAAP revenue 2022 annual guidance released on May 10, 2022; ⁴ Subscription revenue for the three months ended 3/31/2022, which we also refer to as "revenue from longer-term contracts," is defined as revenue from contracts with customers with a duration of more than 270 days; ⁵ Based on mid-point of our annual guidance from on May 10, 2022 shareholder letter; ⁶ Incremental Adjusted EBITDA Margin is the change in adjusted EBITDA between two periods divided by the change in revenue between the same two periods; twelve months ended 12/31/21 vs 2017

Actionable purchase intent data generated by highly targeted content-driven audience



Building a subscription data analytics business



We have increased our subscription revenues from virtually nil in 2014 to 38%¹ today; 50%+ long-term target

Priority Engine connects vendors with opt-in buyers and real-time insights to accelerate path to winning deals

The screenshot displays the TechTarget Priority Engine interface. The top navigation bar includes the TechTarget logo, the 'Priority Engine' title, a search bar labeled 'Search Accounts', and user navigation icons. The left sidebar features a 'Top Accounts' section with a dropdown menu set to 'Overall'. Below this, four account categories are listed: 'Top Accounts' (500 accounts - 495 new or updated), 'Untapped Potential' (495 accounts - 495 new or updated), 'Viewed your Content' (7 accounts - 6 new or updated), and 'Visited Your Website' (413 accounts - 409 new or updated). A 'Confirmed Projects' section shows 43 accounts - 43 new or updated. At the bottom of the sidebar is a 'Favorites' section with 3 accounts.

The main content area is titled 'High' and shows 'Account Insights' and 'Buying Team' tabs. The 'Buying Team' tab is active, displaying a list of prospects for 'Boeing'. The list includes 'All 31 Prospects' and two individual profiles: 'Joseph Qua' and 'Christina Probst'. Both profiles show their roles, company, and engagement highlights. A red callout box points to the 'Buying Team' tab with the text: 'Direct access to active opted-in buyers engaged with our customer and their competition'. Another red callout box points to the engagement highlights for 'Christina Probst' with the text: 'Insight into engagement with customer's Brand and Demand Messaging'.

Direct access to active opted-in buyers engaged with our customer and their competition

Insight into engagement with customer's Brand and Demand Messaging

Note: Names and business contact information do not refer to actual information and are used here for illustrative purposes only

Priority Engine connects vendors with opt-in buyers and real-time insights to accelerate path to winning deals

The screenshot displays the Priority Engine interface, which is divided into several sections. On the left, there is a sidebar with a navigation menu including 'Overall', 'Top Accounts', 'Untapped Potential', 'Viewed your Content', 'Visited Your Website', 'Confirmed Projects', and 'Favorites'. The main content area is titled 'Account Insights' and is further divided into 'Buying Team' and 'Prospect Insights'. The 'Prospect Insights' section is currently active, showing detailed information for Joseph Qua, a Sr. IT Project Manager at Boeing. This section includes a profile picture, contact information (email: joseph.qua@boeing.com, phone: (889) 555-1600, location: Chicago, Illinois, United States), and a list of highlights such as 'Active on Your Interests', 'Viewed Your Content' (with a link to a blog post about SQL/InnoDB), and 'Actively Researching'. Below this, there are 'Content Preferences' (Case Studies, White Papers) and 'Prospect's Top Interests' (Resource management, Open source software, Networking, Software deployment, Training & certification, Cloud Database). A red callout box points to the 'Viewed Your Content' section, stating: 'Detailed Activity Insight into topics and vendors the prospects are engaging with'. At the bottom of the screen, a note reads: 'Note: Names and business contact information do not refer to actual information and are used here for illustrative purposes only'.

Overall

Top Accounts
500 accounts - 495 new or updated

Untapped Potential
495 accounts - 495 new or updated

Viewed your Content
7 accounts - 6 new or updated

Visited Your Website
413 accounts - 409 new or updated

Confirmed Projects
43 accounts - 43 new or updated

Favorites
3 Accounts
5 Prospects

Account Insights > Buying Team > Prospect Insights

Joseph Qua ★★★★★

Sr. IT Project Manager
Boeing
Seniority: Manager
Job Function: IT Project Management / PMO

joseph.qua@boeing.com
(889) 555-1600
Chicago, Illinois
United States

Highlights

Active on Your Interests

Viewed Your Content

- Tuning My SQL/InnoDB Flushing for a Write-Intensive Workload - Database Performance Blog | [blog](#)

Actively Researching

Content Preferences

- Case Studies
- White Papers

Prospect's Top Interests

- ☒ Resource management
- ☒ Open source software
- ☒ Networking
- ☒ Software deployment
- ☒ Training & certification
- ☒ Cloud Database

Detailed Activity Insight into topics and vendors the prospects are engaging with

Note: Names and business contact information do not refer to actual information and are used here for illustrative purposes only

Intent lists at contact level allow Sales to personalize their outreach for better conversions and more pipeline

Stack ranked list of most active prospects around the topic of the campaign

Detailed Activity Insight into topics and vendors the prospects are engaging with

TechTarget

Priority Engine™

Search Accounts

☰

👤

🔔 Need Help?

HighlightsAccountsProspects


Top Accounts: Below is a list of prospects from the top accounts, ranked by prospect score.

No filter applied

Irene Melinda

★★★★★

UNTAPPED



Information Assurance

National Aeronautics and Space Administration (NASA)

Highlights

Active on Your Interests

Viewed Your Content


Actively Researching

Last Activity was 23 days ago on Sep 20, 2021

Joseph Qua

★★★★★

✔️❤️



Sr. IT Project Manager

Boeing

Highlights

Active on Your Interests

Viewed Your Content


Actively Researching

Last Activity was 7 days ago on Sep 15, 2021

Blaine Darvy

★★★★★

UNTAPPED



Chief Information Officer and Librarian to the University

University of Edinburgh

Highlights

Active on Your Interests

Viewed Your Content

Actively Researching


Last Activity was 7 days ago on Sep 15, 2021

Note: Names and business contact information do not refer to actual information and are used here for illustrative purposes only

Account InsightsBuying TeamProspect Insights

← Joseph Qua

★★★★★



Sr. IT Project Manager

Boeing

Seniority: Manager

Job Function: IT Project Management / PMO

joseph.qua@boeing.com

(889) 555-1600

Chicago, Illinois

United States

Highlights

Active on Your Interests

Viewed Your Content

Actively Researching

Tuning My SQL/InnoDB Flushing for a Write-Intensive Workload - Database Performance Blog | blog

Content Preferences

Case Studies

White Papers

Prospect's Top Interests

Resource management

Open source software

Networking

Software deployment

Training & certification

Cloud Database

Priority Engine easily integrates into workflows

Access

Priority Engine's account and contact insights directly in Salesforce Account, Lead and Contact pages

Import

Priority Engine's Active Prospects into Salesforce and then into sales engagement platforms

Sync

Salesforce Account List Views and territories right to Priority Engine

Actionable intelligence at both account and individual prospect levels



Integrates with



Recent acquisitions



BrightTALK

Leading marketing platform for webinars and virtual events in the Enterprise IT Market

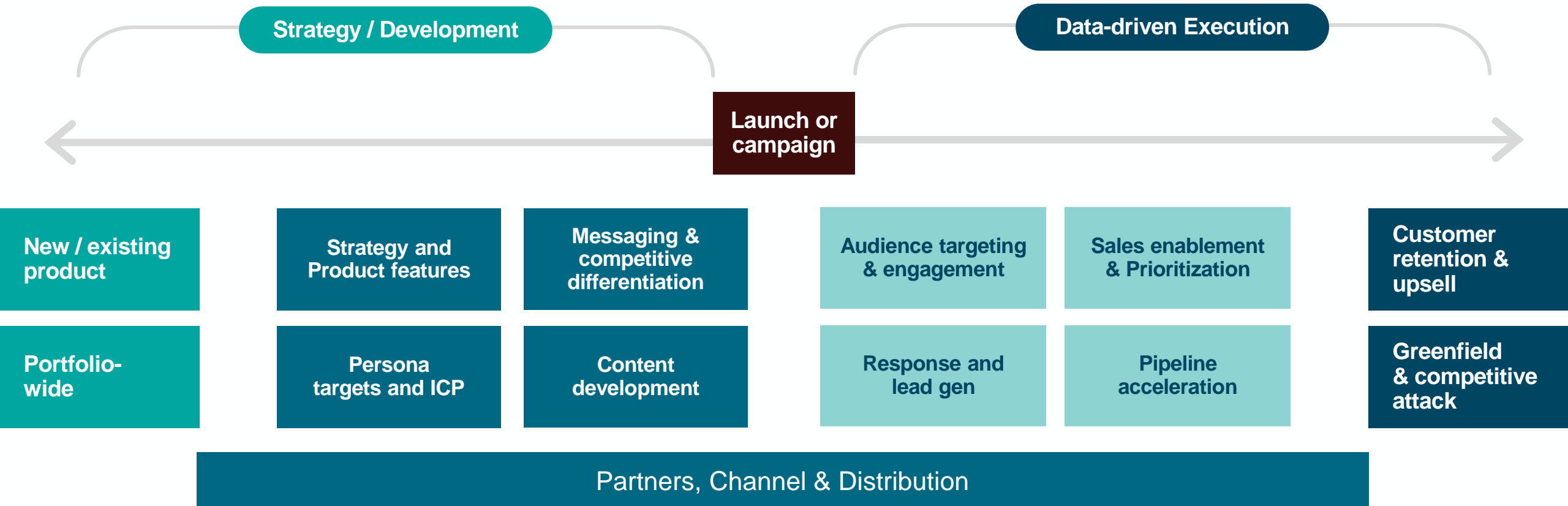


Leading analyst-driven content production in the Enterprise IT Market



Leading Health Care Technology vertical sites

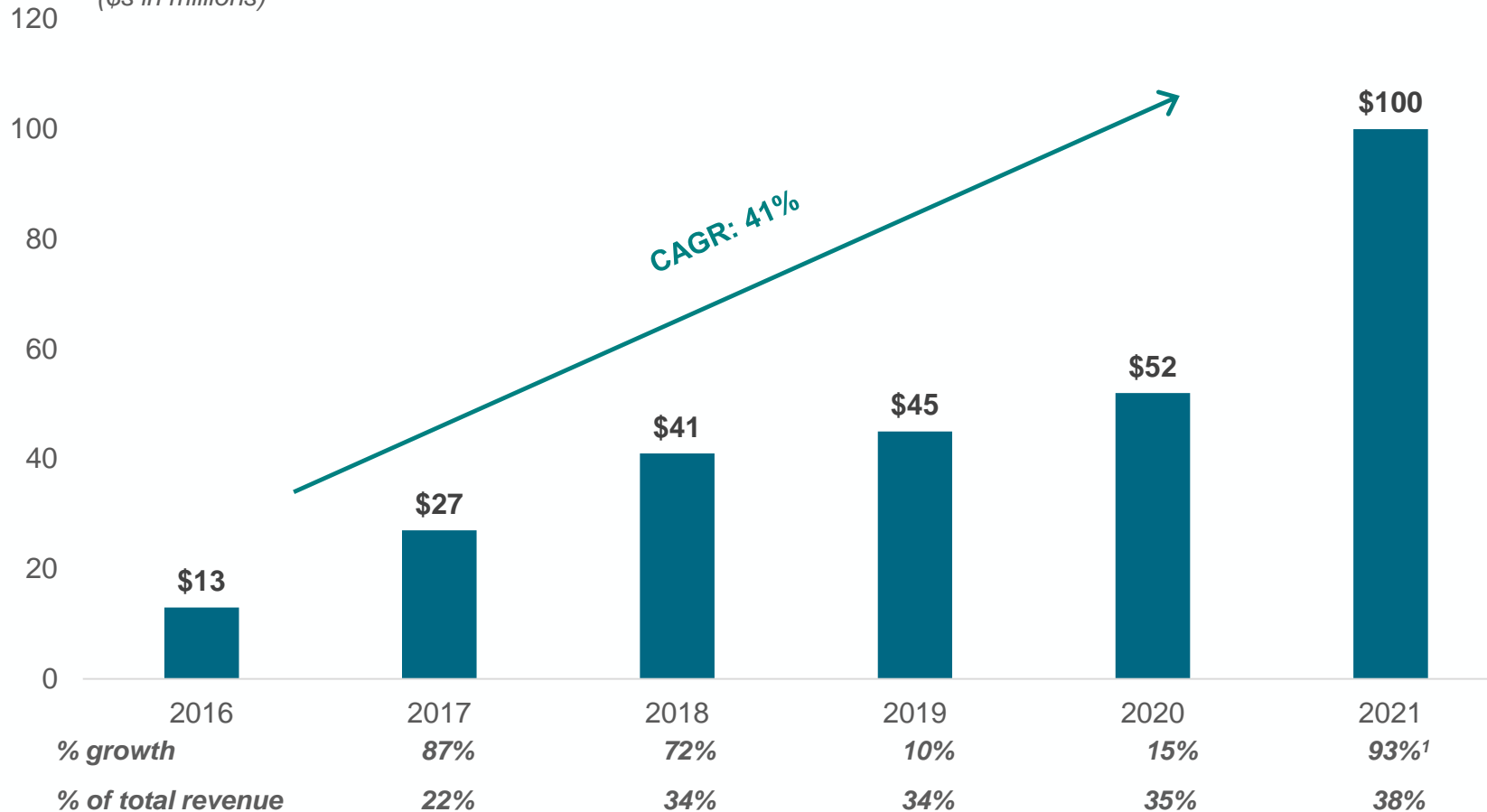
TechTarget's Content to Close solution offering



High-growth subscription revenues

Subscription revenue

(\$s in millions)



SaaS characteristics

- Cloud delivery model
- Part of daily S&M workflows
- Modular add-on features
- Captive customer base to sell into
- Highly scalable
- High incremental margin

Significant TAM expansion through Priority Engine Express for SMBs with new sales module

- “Priority Engine Express”
 - Lower price point
 - Value proposition geared towards sales
 - Sales approach and territory makeup
- Expands reach to **thousands of additional potential customers** within our TAM
 - **18,300** technology vendors over \$50 million¹
- Sold **as subscription**²

Investment Highlights

Investment highlights

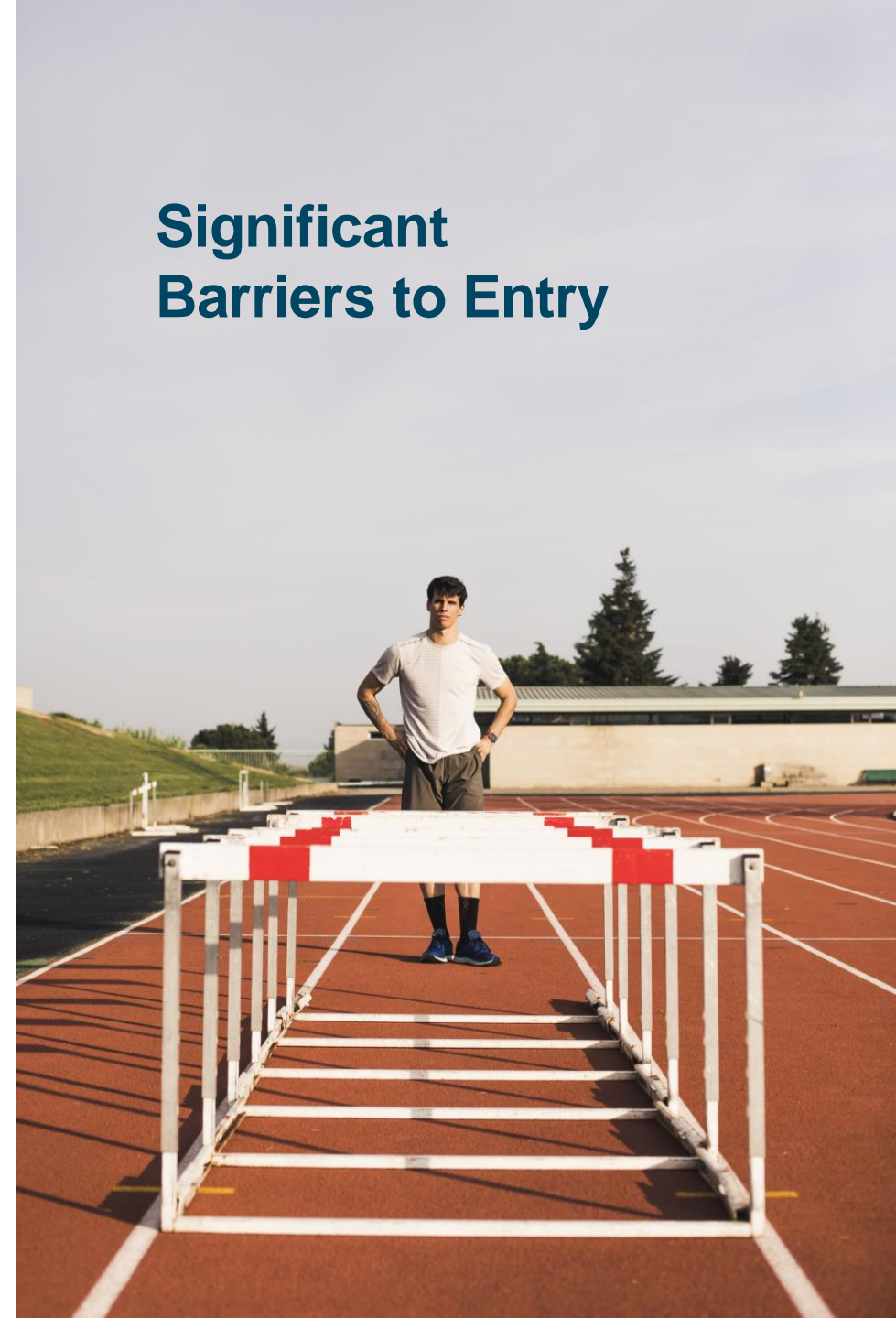
1. **Leading purchase intent data provider for large, growing IT market**
2. **Large, underpenetrated TAM with secular tailwinds**
3. **Diversified, world-class customer base**
4. **Privacy competitive advantage: first-party data and opt-in audience**
5. **Multiple vectors to support sustained growth**
6. **Attractive financial model**

1. Leading provider of purchase intent data for large, growing IT market

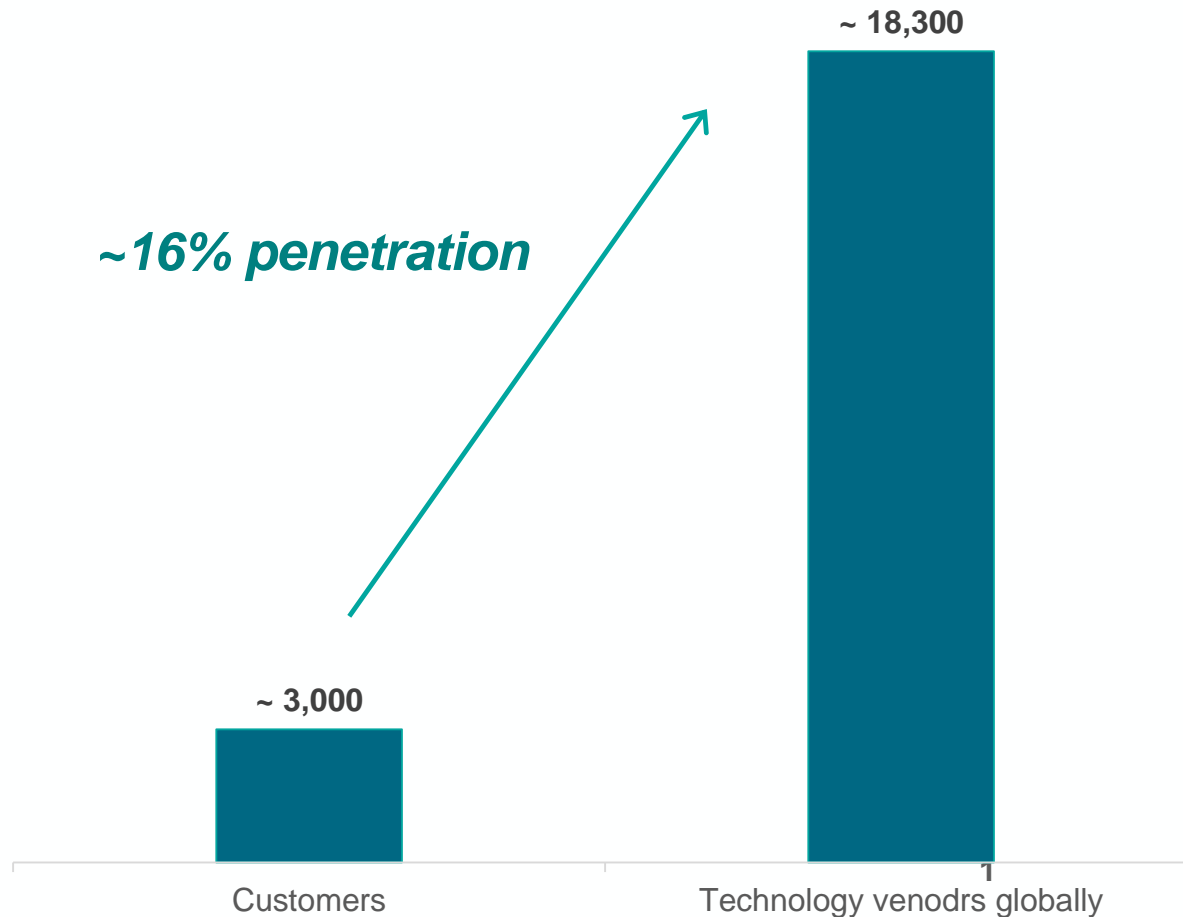
TechTarget advantages

- Unique targeted content model
 - Archive of original content
 - Over 5,000 topics covered
- Proprietary content built over 20 years ... difficult to replicate
- Large and growing community of registered members and users driven by our investment in relevant content
- Significant brand recognition
- Innovative product platform
- Strong and deep customer relationships

Significant Barriers to Entry



2. Large, underpenetrated TAM with secular tailwinds



Secular trends fueling demand for data-driven sales & marketing solutions

- Increasing reliance on data and automation solutions in marketing & sales workflows
- COVID-19 accelerating secular decline of face-to-face events with dollars shifting online
- Tech business models migrating to subscription² provide higher visibility of revenue and budgets
- Growing importance of privacy regulations and Google eliminating 3rd party cookies favors owned and operated sites, first party data and permission-based audience model

3. Diversified, world-class customer base

- Targeted, content-rich platform creates favorable ROI for advertisers
- Deep, long-term relationships with large and fast-growing IT vendors
- No customer exceeds 10% of revenue¹
- Majority of revenue is recurring

Representative customers

High-growth innovators



Established leaders



3. Growing customers and customer spend

Key customer metrics	2021	2020	2019
Total Customers	2,870	1,585	1,399
Customers spending \$100K+	414	225	221
Customers spending \$1M+	43	25	22
Net annual revenue retention ¹	150%	120%	115%

4. Privacy competitive advantage: first-party data and opt-in audience



Our privacy-first approach is a competitive advantage

- Opt-in audience versus compiled lists
- First-party versus third-party data and cookies

Members provide consent at registration to use business data

- Collects only business contact information such as corporate email address, name, company, job title and function, business address and contact information, number of employees, industry

Google eliminating 3rd party cookies




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Removing bias from talent decisions with AI

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Removing Bias from Talent Decisions with Artificial Intelligence

Artificial intelligence (AI) is the simulation of human intelligence by machines. In recent years, AI has been used to automate many tasks, including hiring decisions. However, AI is not immune to bias. In fact, AI can amplify existing biases, leading to unfair hiring decisions. This white paper explores the necessary steps for ensuring the AI-powered technology you use for hiring is unbiased.

Unconscious human bias leads to unfair hiring decisions.

Unconscious bias is a natural part of the human experience. It is the set of attitudes or beliefs that we hold about certain groups of people, often without being aware of it. These biases can be based on race, gender, age, and other factors. When it comes to hiring, unconscious bias can lead to unfair decisions, as hiring managers may favor candidates who are similar to themselves or who fit into their preconceived notions of what a successful candidate looks like.

AI can amplify existing biases, leading to unfair hiring decisions.


AI is a powerful tool, but it is not immune to bias. In fact, AI can amplify existing biases, leading to unfair hiring decisions. This is because AI is trained on data that reflects the biases of the people who created it. If the data is biased, the AI will learn from it and make biased decisions. For example, if a hiring manager has a bias against women, they might only hire men. If an AI system is trained on this data, it will learn from the bias and only recommend men for hiring.

Like 0 Tweet Share Email

It is impossible to correct human bias, but it is possible to identify and correct biases in AI.

Download this white paper to explore the necessary steps for ensuring the AI-powered technology you use for hiring is unbiased.

Vendor: **PYMETRICS**
Posted: **SEP 21, 2020**
Published: **SEP 21, 2020**
Format: **PDF**
WHITE PAPER



Download this White Paper!

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* First Name:

* Last Name:

* Company Name:

* Job Title:

* Seniority:

* Job Function:

* # of employees:

* Industry:

* Address 1:

Address 2:

* City/Town:

* Country:

* State/Province:

* Zip/Postal Code:

* Phone:

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5. Multiple vectors to support sustained growth

Priority Engine	SMB Priority Engine Express	Shift from F2F events to online investments	International	M&A / partnerships
<ul style="list-style-type: none">• Higher conversion post-COVID• Expand contractual relationships	<ul style="list-style-type: none">• Expansion of TAM• Grow subscription¹ business• Grow with customer needs	<ul style="list-style-type: none">• Continued shift of S&M budgets to digital, online, data-driven applications• Increase adoption amongst Sales Reps	<ul style="list-style-type: none">• Lower penetration of digital S&M solutions• Bigger opportunity to migrate offline events to online sales motions	<ul style="list-style-type: none">• Expand content and audience• Broaden client base• Increase breadth of first party data• Complementary solutions

6. Attractive financial model

Expanded margins

- 54% incremental Adjusted EBITDA margin since 2017¹
 - Adjusted EBITDA margins up by ~1,900bps since 2017¹
-

Strong subscription revenue² growth

- Recurring revenue stream
 - 41% currently³; 50%+ long-term target
-

Consistent free cash flow

- Modest capex requirements; high FCF conversion
 - 19 consecutive years of positive free cash flow
-

Higher visibility

- Shift to longer-term subscription agreements²
- Strong retention rates

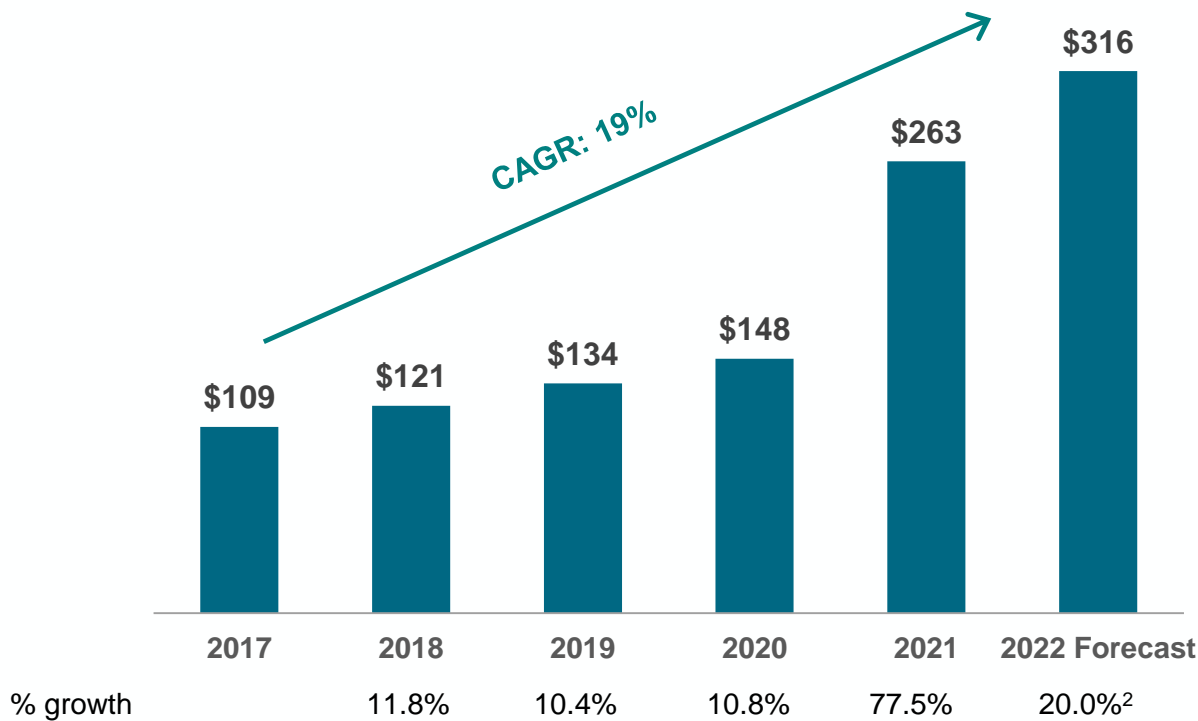
Financial Overview



Strong revenue growth and increasing margins...

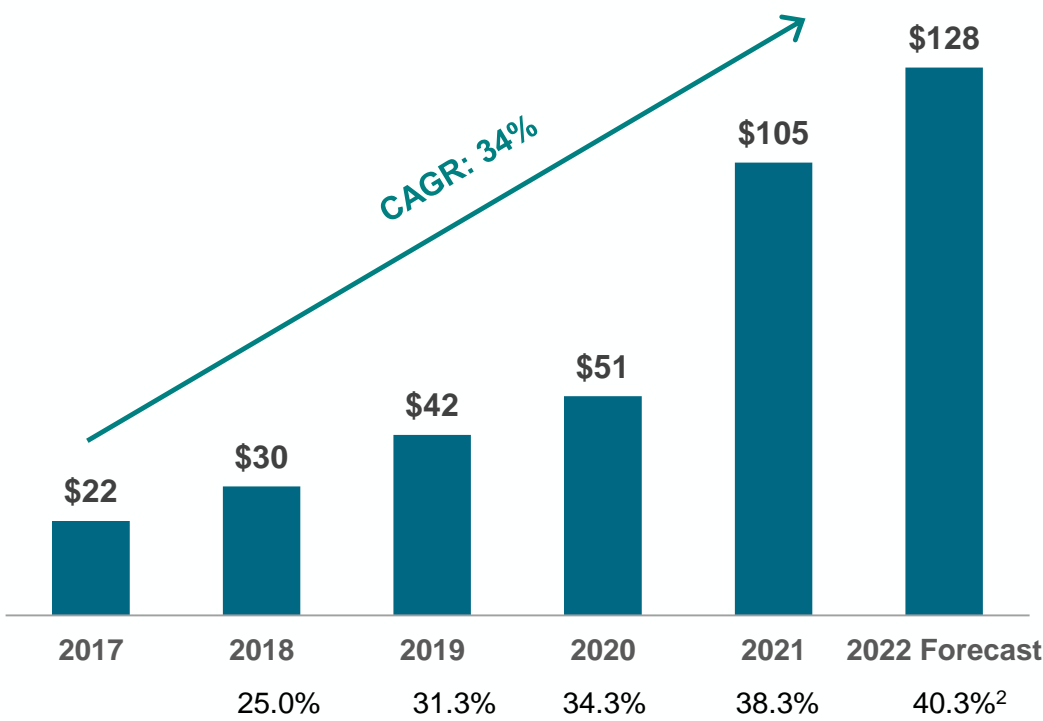
Revenue

(\$s in millions)



Adjusted EBITDA¹

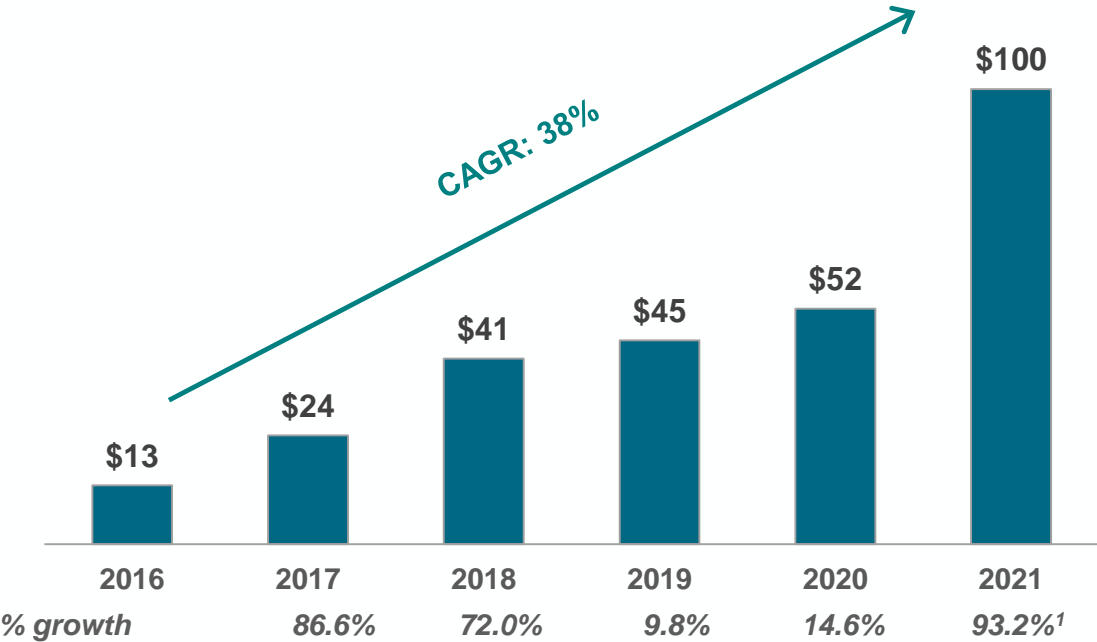
(\$s in millions)



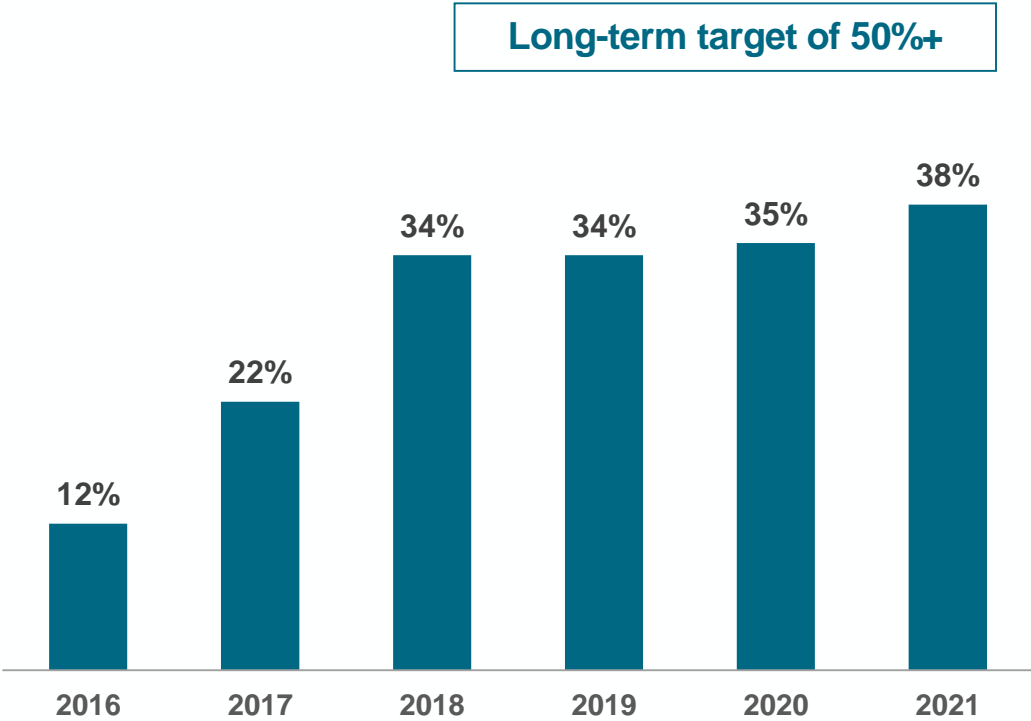
...driven by model transition from quarterly programs to longer-term contracts

Subscription revenue

(\$s in millions)



Subscription revenue as a % of total revenue

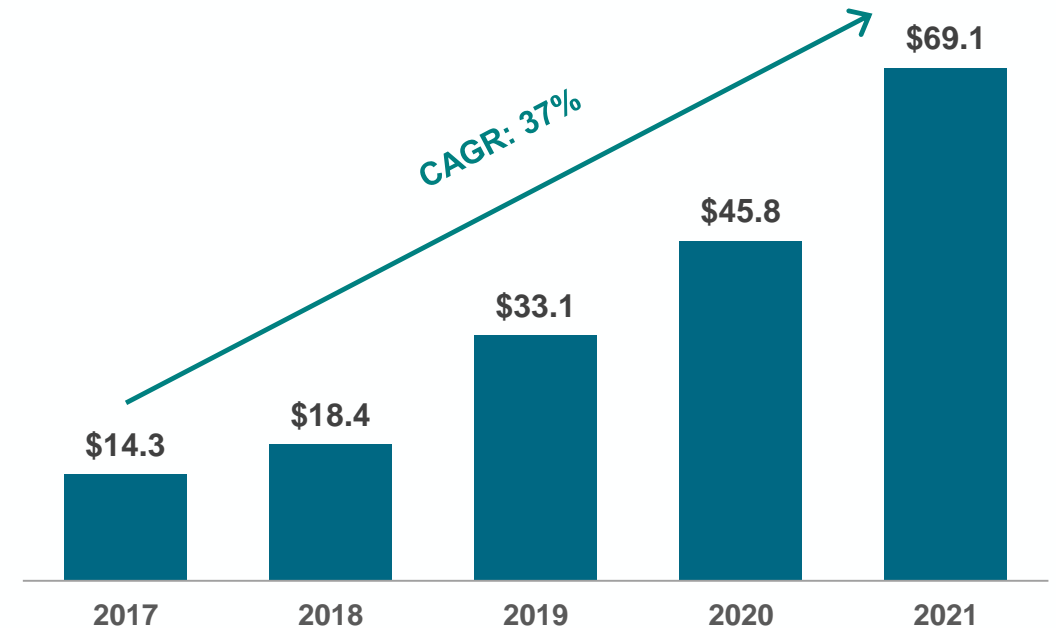


Consistent free cash flow and strong balance sheet

- **19 consecutive years** of positive free cash flow
- **\$395.2mm** cash and short-term investments balance of as of 3/31/2022
- Capital allocation to prioritize **organic and inorganic growth opportunities**
- Maintain **strong balance sheet** to maximize operational and strategic flexibility
- Selectively repurchased ~48% of our outstanding shares in last 11 years at weighted average price of ~\$7
- Convertible debt due in 2025 (\$51mm) and 2026 (\$414mm)

Free cash flow¹

(\$s in millions)





Thank You

Appendix



Calculation of Adjusted Revenue

(\$mm)	2017	2018	2019	2020	2021	For the three months ended March 31, 2022
Revenue	\$108.6	\$121.3	\$134.0	\$148.4	\$263.4	\$68.1
Impact of fair value adjustment on acquired unearned revenue	-	-	-	-	11.5	\$1.2
Adjusted Revenue	\$108.6	\$121.3	\$134.0	\$148.4	\$274.9	\$69.3

Calculation of Adjusted EBITDA

(\$mm)	2017	2018	2019	2020	2021
Net income	\$6.8	\$13.0	\$16.9	\$17.1	\$0.9
Interest expense, net	1.3	1.3	0.7	0.3	22.8
Provision for income taxes	2.9	1.9	5.2	5.4	10.1
Depreciation and amortization	4.6	4.5	5.0	6.9	20.5
EBITDA	\$15.6	\$20.7	\$27.8	\$29.7	\$54.3
Stock-based compensation	6.9	9.1	14.2	16.8	38.5
Transaction and other (income) expenses	(0.6)	0.5	-	4.3	1.1
Impact of fair value adjustment on acquired unearned revenue	-	-	-	-	11.5
Adjusted EBITDA	\$21.9	\$30.3	\$42.0	\$50.8	\$105.4

Calculation of Adjusted Gross Margin

(\$mm)	2020	2021	For the three months ended March 31, 2022
Gross Profit	\$111.0	\$192.2	\$49.6
Stock compensation	0.4	2.1	0.6
Depreciation and amortization	1.0	5.0	1.4
Impact of fair value adjustment of acquired unearned revenue	-	11.5	1.2
Adjusted Gross Profit	\$112.4	\$210.8	\$52.8
Adjusted Gross margin	76%	77%	76%

Calculation of incremental Adjusted EBITDA margin

(\$mm)	2017	2021
Revenue	\$108.6	\$263.4
Adjusted EBITDA	\$22.0	\$105.4
Incremental revenue between the year ended December 31, 2017 and year ended December 31, 2021		154.8
Incremental Adjusted EBITDA between the year ended December 31, 2017 and year ended December 31, 2021		83.4
Incremental Adjusted EBITDA margin		54%

Reconciliation of cash flow from operations to free cash flow

(\$mm)	2017	2018	2019	2020	2021	For the three months ended March 31, 2022
Cash flow from operations	\$18.4	\$23.9	\$39.4	\$52.5	\$81.7	\$27.6
Capex	(4.1)	(5.5)	(6.3)	(6.7)	(12.6)	(3.6)
Free cash flow	\$14.3	\$18.4	\$33.1	\$45.8	\$69.1	\$24.0